

Herald INTERNATIONAL Tribune

The Global Newspaper
Published in London, Zurich, Hong Kong, Singapore, The Hague, Moscow, Miami.

Published With The New York Times and The Washington Post

No. 52-314 3/87 LONDON, THURSDAY, JANUARY 15, 1987 ESTABLISHED 1987

Reagan Ordered Secret CIA Aid For Contras

By Bob Woodward
Washington Post Staff Writer
WASHINGTON — President Ronald Reagan signed a top secret intelligence order on Jan. 9, 1986, authorizing the Central Intelligence Agency to provide intelligence, training and communications equipment to the Nicaraguan rebels, according to administration and congressional sources.

Under the Reagan order, known as a "finding," a total of \$13 million was spent in 1986 on CIA assistance to the rebels, the sources said. The CIA moved quickly to carry out the finding because it provided an opportunity to help the rebels with critical aid at a time when Congress had prohibited U.S. military assistance in their fight against Nicaragua's Sandinist government.

That intelligence and communications aid, which one Reagan administration source said was "authorizing half a war," was explicitly permitted by Congress in legislative compromises made in late 1985.

At that time, the Senate was battling to expand U.S. help to the rebels, known as "contras," and the House of Representatives was trying to eliminate it entirely. Rather than continuing what had been a complete cutoff of CIA assistance to the contras, Congress agreed in November 1985 to a modification that allowed the agency to provide "intelligence and counterintelligence advice" and "information."

A staff report issued by the Senate and House said this assistance also could include "infrastructure expenditures and communications equipment."

In general, according to a variety of sources, the rebel fight was kept alive in 1986, before Congress resumed military assistance last fall through the \$13 million in CIA assistance, along with \$27 million in "humanitarian" aid appropriated by Congress in 1985 and a network of private fund-raising efforts coordinated by a former National Security Council staff member, Lieutenant Colonel Oliver L. North.

Administration sources said that in the overall conflict the intelligence and communications assistance may have been more important than weapons.

Mr. Reagan's Jan. 9 finding was reported to the congressional intelligence committees as required, unlike the finding he signed eight days later that authorized the sale of arms to Iran and that was deliberately kept secret from the oversight committees in Congress.

Although the finding is basically a restatement of the law, the CIA cannot undertake any covert action, including providing advice, without formal presidential approval.

Once Mr. Reagan signed the Jan. 9 order, the director of central intelligence, William J. Casey, moved quickly to strengthen the CIA stations in relevant Central American countries and to ensure that the CIA and other U.S. intelligence agencies monitored every phase of the conflict, sources said.

Dollar Continues Plunge; U.S. Says It Has No Target

By Ferdinand Protzman
International Herald Tribune
FRANKFURT — The dollar plunged again Wednesday after it was reported that the Reagan administration wants it to decline still further.

The report, later confirmed by the White House, reinforced the bearishness that has driven the U.S. currency to its lowest levels in more than six years.

In Asia, the dollar plummeted in hectic trading despite purchases of \$1.5 billion by the Bank of Japan. It closed in Tokyo at 1.8545 West German marks.

In London, the U.S. currency closed at 1.8410 DM, slightly above the day's trading low of 1.8355 DM but down sharply from Tuesday's close of 1.8753. It closed at 153.45 yen in London, compared with 155.70.

In Frankfurt, it recovered slightly to 1.8633 DM at the closing, down from 1.8810 Tuesday. In earlier trading the dollar had dropped to 1.8585.

The slide continued in New York. A mid-session dollar was quoted at 1.8323 DM, down almost 4 pennings from 1.8735 at the close Tuesday, and to 152.50 yen from 155.65.

The sudden acceleration of the dollar's descent has caused speculation that officials of the five leading industrial nations will meet in coming weeks to discuss developments.

But the U.S. Treasury denied Wednesday that plans for a meeting of the so-called Group of Five were being made.



Bob Dean/The Associated Press

Near the Tower of London, a befeater strolls in a heavy snowstorm. In Venice, snow covered the gondolas. And in Paris, which was blanketed by snow, a motorist gets a helpful push from passers-by near the Eiffel Tower.



Michel Comtet/The Associated Press

The sources cited the nation's trade deficit, which set a monthly record in December, and declined to say how far they thought the dollar should be allowed to fall.

Larry Speakes, the White House spokesman, confirmed the substance of the New York Times report on Wednesday.

"The dollar will fall in relation to other currencies, as it has, in a steady and coordinated manner," he said, "but we're not setting a target." He denied that the administration was trying to "talk the dollar down."

The administration was thought earlier to have set 1.90 DM as a target. But with that barrier breached, many monetary experts are forecasting historic lows for the dollar against the mark.

"We're looking for the dollar to drop to DM 1.65 and 135 yen by See DOLLAR, Page 13

France Calls Out Troops to Clear Snow

Compiled by Our Staff From Dispatches
PARIS — France called out the army on Wednesday to help the country dig out of heavy snow, as freezing temperatures that have caused at least 130 deaths across Europe continued.

Road and rail transport remained disrupted by some of the worst winter weather in 25 years, and driving and walking in cities throughout Europe was hazardous. More people died, mainly on perilous roads, and some were found frozen to death.

The biggest death toll, 77, was in the Soviet Union, which is experiencing its worst January since 1950.

France reported five deaths on Wednesday, for a total of 14 since the cold wave began over the weekend. Prime Minister Jacques Chirac, who is also mayor of Paris, mobilized army troops to help clear the 5.5 inches (14 centimeters) of snow that fell on the French capital, the fourth heaviest on record.

The cold snap followed strikes in France by transport and utility workers that had brought power cuts to homes and businesses and disruption to commuters and travelers.

In Beijing, Hu's Ouster Is Rumored

By Jim Mann
Los Angeles Times Staff Writer
BEIJING — The Chinese Communist Party convened an extraordinary high-level meeting Wednesday at which changes in the party leadership may be approved, diplomats reported.

The diplomats said it appears increasingly likely that the meeting was called to approve the ouster of Hu Yaobang, the top-ranking aide to China's senior leader, Deng Xiaoping. Mr. Hu is secretary-general of the Communist Party.

Foreign Communist newspapers have reported "rumors" that Mr. Hu would be replaced as party chief by Prime Minister Zhao Ziyang. The prime minister is another Deng protégé, but he has concerned himself primarily with economic policy and not with questions of political or ideological change.

Mr. Hu has not been seen in public for more than two weeks. A spokesman for the international liaison department of the party said Monday that Mr. Hu has health problems. The spokesman would not respond to questions about whether Mr. Hu remains the secretary-general.

Japan's Kyodo news agency, which has had a good record for accuracy in covering China's recent political developments, said Wednesday that Mr. Deng had criticized Mr. Hu on three occasions since the end of December and had once urged him to resign.

Mr. Hu is reported to have been accused of displaying a lenient attitude toward student demonstrators and toward "bourgeois liberalization," a term covering a wide range of Western democratic ideas.

One Western diplomat said he believed that the party had called a special meeting of the Central Committee, the 209-member group responsible for setting the overall direction of party policy. "The meeting is now under way," he said.

Generally, the Central Committee meets only once a year or so. It See CHINA, Page 6

Strains Raise New Concern About Reagan

By Martin Tolchin
New York Times Service
WASHINGTON — Congressional leaders long concerned about what they consider President Ronald Reagan's inattention to detail say their concerns have been heightened in recent meetings with him at the White House.

The leaders, among them some of Mr. Reagan's political allies, note the strains on Mr. Reagan both from the crisis over arms sales to Iran and from recent presidential illnesses and surgery.

They mention the tensions generated by the Republican loss of the Senate in November, after Mr. Reagan had invested much of his time and prestige last fall trying to retain it.

Some say these new tensions merely exacerbated Mr. Reagan's long-established tendency to ignore the nuts and bolts of government. They stress that this has nothing to do with his age — the president will turn 76 next month — but is rather a reflection of a leadership style that has been evident since his days as governor of California.



Doug Mills/Reuters-UP

Ronald Reagan acknowledges applause from Treasury Secretary James A. Baker 3d, left, Attorney General Edwin Meese 3d, and James Burly, deputy assistant secretary of transportation, after the first 1987 cabinet meeting.

At White House, Regan Recovers Footing

By Lou Cannon and David Hoffman
Washington Post Service
WASHINGTON — Donald T. Regan, whose hold on his job as White House chief of staff seemed tenuous two weeks ago, is now secure in his position and moving to fill key White House vacancies with his personal choices, according to Regan administration and Republican sources.

"Regan didn't want to make any moves while he was fighting for his own survival," a senior White House official said. "Now that he's fought off the demands for his resignation, he is putting his own stamp on the place."



Doug Mills/Reuters-UP

There would certainly be no objection from Regan if Buchanan decided to leave," a White House official said, "but no one is going to ask him to leave. The timing of the departure is up to Pat."

Another White House official said of Mr. Buchanan, "We assume he's on the way out the door, but he hasn't made a move yet." If Mr. Buchanan leaves, Mr. Regan is expected to fill the vacancy with his deputy, Dennis Thomas.

The White House political director, Mitchell E. Daniels Jr., also is expected to leave within the next few months, although he said Tuesday that he had made no decision to resign.

Whither Strauss — Bavaria or Bonn?

Premier Campaigns for 'Emergence From Third Reich'

By James M. Markham
New York Times Service
AUGGEN, West Germany — It is the refrain that echoes off the stormiest applause. Hunkered behind the podium, Franz Josef Strauss calls upon his compatriots to come out of "the shadows of the Third Reich" and be proud to be Germans again.

"We have to end the attempt to limit German history to the 12 years of Hitler — the representation of German history as an endless path of Germans' mistakes and crimes, criminalizing the Germans," the premier of Bavaria declared. "We must emerge from the dismal Third Reich and become a normal nation again."

The emphatic assertion of a German national identity comes naturally to the combative Mr. Strauss. In an election campaign lacking great suspense, one of the most consequential riddles is whether the conservative 71-year-old Bavarian to Bonn as vice chancellor — and as a political bull in a coalition china shop — after the vote Jan. 25.

OPINION

When the Shouting Peaks The Dream Will Be Over

By A.M. Rosenthal

NEW YORK—South Africa—it is like one of those dreams we all have. The kind where you see something bad about to happen, know exactly what will unfold, cry out in warning but nobody is listening or will hear.

When you visit South Africa, you live in the dream. You know that the repression will get worse. You know the violence will increase. You know people of good heart, white and black, are crying out and are unheard or silenced. You know that in the end there is only one solution—black government shared by whites—but that all the perfectly possible peaceful steps toward it and beyond are now being eliminated, one by one, by the violence of oppression begetting violence of resistance.

And you know that the longer it goes on, the more the likelihood of one tyrant replacing another. You know that the

The idea that tyranny can hide is a fantasy.

Soviet Union and its agents in South Africa are dreaming, too, but not in terror, for their greatest ally toward their goals of domination is the government in Pretoria. The more repressive it is, the more hate is spread, the nearer the goal.

Now Pretoria has taken one more step toward the isolation it believes will protect it but which of course will not. The irony of the cultural boycotts and disinvestment movements is that while they are valid expressions of foreign opposition, they are welcomed by the hard-line South Africans in the government, who see Western influence, American particularly, as the real enemy.

This latest step was the decision to close down reporting by New York Times correspondents in South Africa. The government ordered Alan Cowell, the Times correspondent there, who was approaching the end of his tour, to leave the country, and refused to permit Serge Schmemmann, the former Moscow bureau chief of The Times, who had been named his successor, to take up his post.

It served notice on other American newspapers that their presence also might not be required.

South Africa is not the only country that prefers not to have American correspondents around to witness what is

going on. Indonesia threw out a Times correspondent while President Reagan was visiting the country, an insult to Mr. Reagan that seemed not to wound him terribly. Various African countries periodically bar all reporters, and earlier in the century I was among those foreign correspondents invited out of Eastern Europe, in my case Poland. As for the Russians, they simply took an American reporter hostage in a totally successful maneuver to swap him for a Soviet spy, thus not only getting their man back but reminding all foreign correspondents in Moscow exactly where they were, in case they might have forgotten.

Why the move against The Times? My own belief is that the security and "information" specialists in Pretoria had found that while the rigid censorship rules prevented the world from witnessing police violence on television, it had not been able to prevent the world from reading about it. The fact is that even abiding by the letter of censorship, an intelligent, skilled and experienced correspondent like Mr. Cowell was able to give the full flavor and a lot of the details about what was taking place in South Africa. We know that, the reader knows it, the South Africans know it.

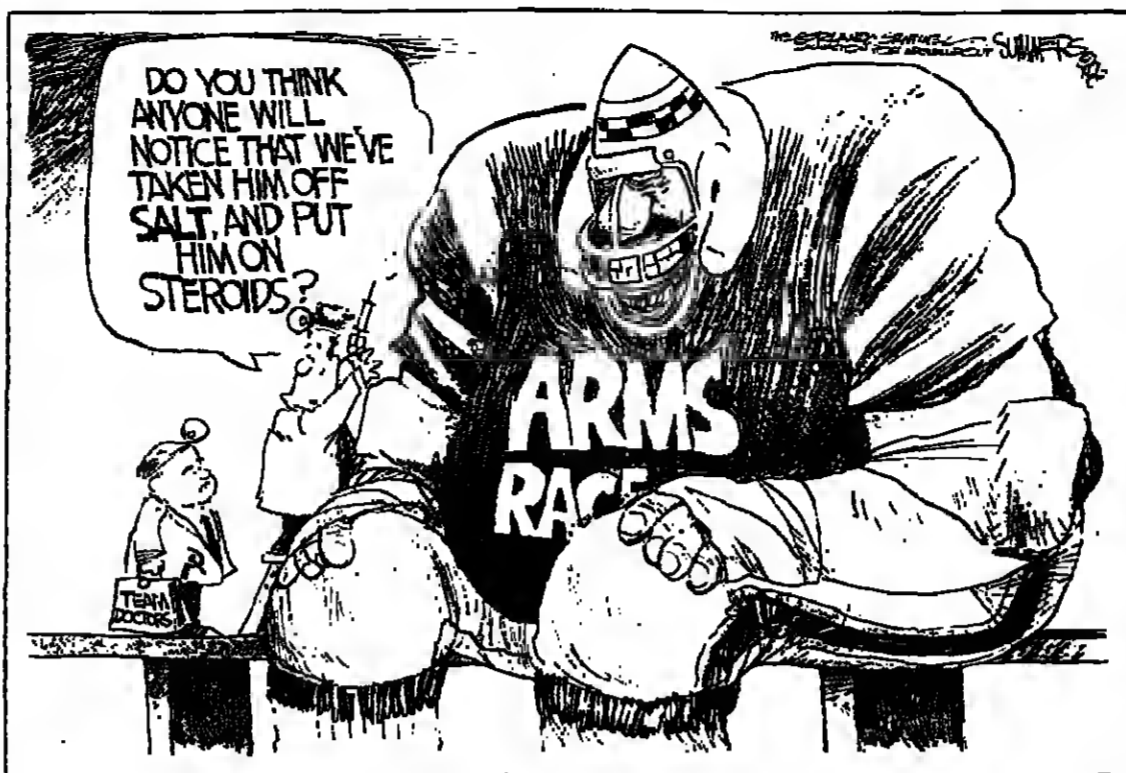
For me it was again the dream, but with a different and more ominous twist. Ten months ago Mr. Cowell was told that he had to get out in a week. I was then the executive editor of The Times and flew to South Africa with my colleague Warren Hoge, now an assistant managing editor, then foreign editor.

We met with Ministry of Interior officials and some pretty vivid things were said. They talked about meddling and distortions and we talked about freedom of the press. Neither side made converts but at the end the top government man present slammed his dossier shut and said that he still did not like Mr. Cowell or The Times, but since I had taken the trouble to fly all that way he could stay. Now the South Africans have so far refused even to see Max Frankel, my successor. While they may relent in the future, they are certainly not kidding and winking in our direction now.

Perhaps they will allow a few American reporters to stay on for a while. But they do seem determined to extend the censorship beyond pictures, beyond the widest possible interpretation of "security" information, and to blank out the Cowells and the Schmemmanns and thus the minds of American readers.

But the idea that reality can be blanked out, that tyranny can hide and be unknown is a fantasy. It has not worked before and will not work now. They dream, the South Africans, and by the time they are shouted into wakefulness it may simply be too late.

The New York Times



LETTERS TO THE EDITOR

Poland Isn't Czechoslovakia

Regarding "Can't They Even Allow Jazz?" (Dec. 16) by Kurt Vonnegut Jr.:

Before Kurt Vonnegut brackets Poland with Czechoslovakia, he should get the facts straight, or better, visit the country. One of its chief exports is jazz. The rock group Lady Pank (read "punk") regularly makes appearances in the West. And if Mr. Vonnegut likes country music, let him tune in on Polish radio. One of its weekly programs is (or was) "The Road to Nashville." Marlboro, the cigarette brand, sponsors an annual country music festival in Poland in August. The latest rock videocassettes from Britain are broadcast at least once a week on television.

Speaking of television, I would say that at least 75 percent of their dramatic programs are of Western origin: "Fill Street Blues," "East of Eden," "The Muppets," Woody Allen's "Manhattan," Alan Ayckbourn's "Bedroom Farce," to give but a meager sampling. Ditto for the movies. In the theater, Roman Polanski recently appeared in "Amadeus," and musicals from Broadway now on view include "Fiddler on the Roof" and "My Fair Lady." There have been numerous productions of Neil Simon's and Harold Pinter's plays, and the Poles produce everything that Slavomir Mruzek ever wrote.

If Mr. Vonnegut arrives at the airport laden with gifts of Playboy and Rambler videocassettes, customs will wave him through. Sony and Sanyo videocassette recorders can be bought in the Polish network of dollar shops from one

end of the country to the other. For satellite television, dish antennas are available from a man in Szczecin (his company is called Svensat) who makes them in his garage and sells them to West Germany and other Western countries for something like \$1,000 apiece. There are already 1,000 in Poland, and owning them is perfectly legal, the only hitch being that the owner has to register with the authorities that he owns one.

As Flora Lewis wrote in "For Poles, a Trial by Impotence" (Dec. 5), even the Hungarians envy the Poles their intellectual freedom. So I invite Mr. Vonnegut to visit Poland, after which he will never lump it with Czechoslovakia again.

MARGARET SZMURAK, London.

Surgery for Some Radicals

Stephen M. Walt's opinion column, "It's Time to Debunk the American Myth About 'Radical' States" (Dec. 30), cautions American foreign policy makers not to castigate Third World "radical" states and nationalist movements which pose limited threats to fundamental U.S. interests. Mr. Walt states correctly that U.S. hard-line approaches offer Syria and the PLO no alternative but to seek Russian support. However, he fails to point out the difference between nationalist movements that are part of old-fashioned balance of power politics and countries taken over by Marxist-Leninist totalitarianism, such as Nicaragua and Cuba, which form part of the spreading cancer of atheistic communism. The free world should

band together to perform radical surgery on these communists and return their hapless people to freedom.

JOHN G. McCARTHY Jr., Villars-sur-Ollon, Switzerland.

West Germany in NATO

Considering merely the budget figures is not a good way to evaluate defense contributions. Conscription in West Germany, for instance, produces an essential part of the Western defense capability. I might add—again in response to an opinion column last Nov. 18 by Leonard Sullivan, "Washington Spends Too Much on European Defense"—that the West German government has made an unpopular decision to extend the draft. But that does not look very impressive on the budget scale, since conscription is relatively inexpensive.

West Germany provides 30 percent of NATO land forces in Central Europe, 50 percent of ground air defense and 30 percent of combat aircraft. Efforts to strengthen conventional combat power are being made. Leading officials of the Reagan administration recognize this. They know that the European allies do form a credible conventional deterrent.

Discussion of burden-sharing problems should also include the question of how to improve standardization of weapon systems and other equipment by establishing a real trans-Atlantic two-way street. More U.S. willingness to cooperate in this would be welcome.

KLAUS FRANCKE, Member of the Defense Committee of the Bundestag, Bonn.

How to Attack Terrorism: The View From Skid Row

By Jeff Dietrich

LOS ANGELES—Rod is standing next to me, an empty green wine bottle clenched in his fist ready to explode into a million shards of glass. His 6-foot-2-inch (1.88-meter) bulk coils and tightens. Great gobs of saliva fly from his mouth as he spits obscenities at me. I am in the grip of sheer terror; adrenaline surges, but it's like a narcotic, reducing my arms and legs to the consistency of overcooked pasta.

I get a lot out of my work in a Skid Row soup kitchen, but a sense of physical security or peaceful surroundings is

wrote. "The only way some people can find God is through an experience of sheer terror." It is at those moments that I have learned the power of prayer, quick and furtive and repetitious—"Lord, deliver us from evil; Lord, deliver us from evil; Lord, deliver us from evil"—anesthetizing the brain, slowing the pulse, stifling the rubbery limbs. It is prayer under fire, prayer in the trenches, practical prayer that reaches down to a place of strength that is beyond the fear. Pretend that you are not hearing the pounding of your heart or smell the stink of your sweat. Get your voice under control, slowly reach out your hand. Now, standing before Rod, I hear my voice speaking with all the bluff and bravado of an animal trainer, pretending a calm that I do not feel, knowing that any hint of fear on my part will surely invite disaster.

MEANWHILE

not among the pluses. Even on the calmest days the anger, violence and insanity are always there, lying like a mine waiting to go off. But it did occur to me recently that living in this sort of war zone gives one an edge over those who have never dealt with terrorists.

Not that Rod is a terrorist in the political sense. He belongs to no organization, espouses no cause or ideology, has received no formal training or discipline and takes orders from no one. In fact, most of the time he is fairly benign.

But today, for whatever reason—too long a wait in the soup line, no luck in finding a job, a bad night in the alley—he has turned violent and I am his target. Ever since the bombing of Libya last spring, we have heard terrorism described as a cancer that can be removed by the military equivalent of radical surgery. This is a simplistic solution that finds its domestic American counterpart in the substitution of prisons and jails for a commitment to jobs, education and housing for all. The real cause of terrorism, both domestic and foreign, is rooted in the injustice of poverty, hunger, homelessness and oppression.

I grew up in a placid suburban community that was the realization of the American dream: secure against poverty and violence, perfect in its serenity. The reality of sufferings on Skid Row shatters that placidity like a brick hurled through a window, offering a glimpse of the pain endured by most of the world.

From Rio to Calcutta, from Soweto to Santo Domingo, most of the world is engaged in a violent struggle merely to survive from one day to the next, and the terrorist is simply the most active combatant in this battle. The desire for security in our homes and our property is natural, but to ignore the reality of the suffering world is to live in a fantasy. How can we feel secure when children die of starvation, families are broken by economic and military violence, human lives and potential are sacrificed daily on the altar of economic necessity?

Flannery O'Connor, the brilliant literary mistress of the macabre, once

"Rod, give me the bottle and I'll bring you a tray of food. Go on outside. You're too agitated to eat in here."

"O.K., punk, but be quick about it," he says, handing me the bottle. I grasp the neck so as not to inadvertently release the imaginary arming mechanism, and carefully drop it in the trash can, making a silent promise to be more vigilant about picking up such weapons when I see them on the sidewalk.

This is not the first time Rod has terrorized us. Once, after an entire year, he says, "banned" him for an entire year. I used to think our methods of dealing with terrorism—prayer and nonviolence—were hopelessly idealistic and impractical. Then I heard that a security guard in a similar Skid Row institution was murdered with his own gun during a struggle with an irate client. So much for the use of force. We figure that we might as well stick to our principles.

After Rod finishes eating, he is much calmer, almost affable, so I take the opportunity to tell him that he will be banned for a week because of the disturbance that he caused in the kitchen.

"The hell with you, punk, I don't want your food anyway," he says, turning on his heel and walking away. I am fully aware that it is 1987 and that idealism, as a basis of national policy, is about as fashionable as bell-bottom trousers and love beads. So I won't even suggest prayer and nonviolence as a means of combating terrorism. I am convinced, however, that you cannot end it by bombing children in Libya, or by jailing the poor in your own nation. Any effective program to end terrorism must begin with a commitment to feed the hungry, clothe the naked and shelter the homeless.

The writer is a member of the Los Angeles Catholic Worker community. He contributed this column to the Los Angeles Times.

Well-organized in China

All eyes are on China. It's a land of vast resources and tremendous opportunities. With an attitude towards trade and contact with the rest of the world that has changed radically in recent years. However, a great deal of experience and understanding are necessary to do business successfully in China.

It has taken HongkongBank over a century to develop our present knowledge of China and to have the largest representation of any foreign bank in China. We have offices in Beijing, Guangzhou, Shanghai, Shenzhen, Xiamen, Wahan and Tianjin. Furthermore, we have a substantial group of specialists in HongkongBank China Services Limited.

We arrange immediate introductions to the major Chinese corporations. We also advise on direct investment, market conditions, trade practices and documentation requirements. As well as supplying information on commercial law, tax regulations and how to avoid pitfalls.

HongkongBank even produces a monthly newsletter to keep customers aware of economic events, policies and developments in China.

Don't take business development in China for granted. Before considering a business venture, talk to the experts, talk to those with experience and insight.

Contact HongkongBank China Services Limited at 13th floor, 1 Queen's Road Central, Hong Kong. Or any of our 1,200 offices in 55 countries. We'll help you get organized in China.



HongkongBank

The Hongkong and Shanghai Banking Corporation

Marine Midland Bank • Hang Seng Bank The British Bank of the Middle East • HongkongBank of Australia • Hongkong Bank of Canada

Wardley • James Capel & Co. • CM & M Equator Bank

Carltingford and Gibbs Insurance Groups Concord Leasing

Fast decisions. Worldwide.

CONSOLIDATED ASSETS AT 31 DECEMBER 1985 EXCEED US\$69 BILLION.

NYSE Most Actives table with columns for stock symbols, prices, and volume.

Market Sales table showing volume for NYSE, AMEX, and OTC.

NYSE Index table showing Composite, Industrial, and Financial indices.



AMEX Diary table listing various market activities.

NASDAQ Index table showing various market indices.

AMEX Most Actives table listing active stocks on the AMEX.

Dow Jones Bond Averages table showing bond market data.

NYSE Diary table listing daily market events.

Odd-Lot Trading in N.Y. table showing odd-lot trading statistics.

Dow Jones Averages table showing major market averages.

Standard & Poor's Index table showing S&P market indices.

Previous NASDAQ Diary table listing previous day's NASDAQ activity.

AMEX Stock Index table showing AMEX stock index data.

NYSE Prices Up; Trading Heavy

NEW YORK — Prices on the New York Stock Exchange were higher late Wednesday on heavy trading, boosted by a strong energy sector and persistent demand by institutional and individual investors for equities.

The Dow Jones industrial average, with its eighth straight gain, was up 11.95, to 2,024.89 at 3 P.M. EST. Earlier, the Dow had been ahead by 21 points.

Traders said a strong appetite for equities by large and small investors continued unabated after persistent selling in December. The market's ability to advance despite some profit-taking has made investors less cautious about the potential for a sharp correction, they said.

Analysts said that investors who are willing to buy on price dips were keeping the market from backsliding, thus encouraging more aggressive buying.

The analysts said a small recovery in International Business Machines was also positive. The bellwether issue dropped about six points during the first two sessions of the week, pressured as analysts lowered their earnings estimates for the computer giant.

With an hour of trading remaining, Puget Sound Power & Light was the most active NYSE-listed issue, off slightly.

To Our Readers

Wall Street closing prices are not available in this edition because of computer problems in Paris. This edition carries 3 p.m. prices. We regret the inconvenience to readers.

New orders for the three months through December grew at an 8.8 percent rate from the three months ended in November.

As crude oil prices rose on the New York Mercantile Exchange, oil and oil service stocks advanced.

Standard & Poor's Index

Standard & Poor's Index table with columns for High, Low, and Close.

Standard & Poor's Index table with columns for High, Low, and Close.

Standard & Poor's Index table with columns for High, Low, and Close.

NYSE Prices Up; Trading Heavy

NYSE Prices Up; Trading Heavy table listing various stock prices and changes.

NYSE Prices Up; Trading Heavy table listing various stock prices and changes.

NYSE Prices Up; Trading Heavy table listing various stock prices and changes.

Vertical advertisement on the right side of the page for 'Leamer Oil' and other products, including the text 'FROM 1875...' and 'WALL ST...'.

عقد من الأعمال

FROM 1875... REW

Herald Tribune BUSINESS/FINANCE

...TO TOMORROW'S WORLD In Touch with Tomorrow TOSHIBA

THURSDAY, JANUARY 15, 1987

Page 9

WALL STREET WATCH

Leaner Oil-Service Industry Leads Varied List of Gainers

NEW YORK — Large-capitalization issues — drugs, papers and oils, among others — figure prominently on the expanding list of stocks scoring new 52-week highs on the New York Stock Exchange.

In the oil-service group, both Halliburton and Dresser Industries, benefiting from rising prices for crude oil and Wall Street's renewed interest in energy stocks, traded last week at their highest levels since 1985.

Check printers, home builders are among those doing well.

AMONG funeral-related stocks, brighter earnings prospects have sent Hillenbrand Industries and Service Corp. International to record levels.

Banks Get Leeway on Securities U.S. Court Lifts Curb on Outlets

WASHINGTON — The Supreme Court cleared the way Wednesday for national banks to establish discount securities brokerage outlets wherever they want.

The 8-0 decision was seen as a victory for the banks and the Reagan administration, which supports financial deregulation, and a blow to the securities industry.

Justice Byron R. White, writing for the court, said the U.S. comptroller of the currency may approve plans by national banks to offer widespread brokerage services.

Conable Plans Tighter World Bank 'Restructuring' May Reduce Work Force by 20 Percent

By Clyde H. Farnsworth New York Times Service

WASHINGTON — The World Bank calls it a "restructuring," the first major one in 15 years. But to some of the organization's 6,500 employees, it is more like the sword of Damocles.



Barber B. Conable Jr.

Although no decisions are likely before spring, the exercise to slim down the 41-year-old global leader is already causing anxiety at its headquarters three blocks from the White House.

Early reports suggest that the rolls may be cut by as much as 20 percent, dropping off 1,300 employees and dropping staff size to levels of the late 1970s.

For years, the perception in many quarters around Washington, especially on Capitol Hill, has been that the bank, whose staff has quadrupled in less than two decades, has grown obese and provides its employees with too many fringe benefits and perquisites.

The United States is the largest supporter of the bank, providing about 20 percent of its money, and these funds must be approved by Congress, which in these times of budgetary restraint is keeping a sharp eye out for waste.

five years ago, with only a 6 percent increase in staff.

The overhaul was initiated by the bank's new president, Barber B. Conable Jr., a former Republican congressman from New York, both to strengthen the institution in the pivotal role it is playing in the global debt crisis and to make it more salable to Congress.

"I happen to believe that the staff of this institution is a remarkable asset in the world of development," Mr. Conable said recently. "But there have been expressions of lack of confidence, or at least of uncertainty about efficiency."

"I feel it's important that we restructure it and to the extent necessary we restructure it and change the procedures to be sure we are meeting today's expectations and providing adequately responsive to the challenges that face us."

The streamlining, engineered with the assistance of the New York-based management consulting firm of Crisp, McCormick & Paget, is similar to, although perhaps not as dramatic as, that undertaken by a number of large corporations.

"In my debt division," said Jean Baneth, director of the economic analysis and projections department, "we are handling a volume of data twice as high as

U.S. Retail Sales Increased 4.4% In December

By Martin Crutsinger The Associated Press

WASHINGTON — Retail sales in the United States, aided by last-minute Christmas shopping and automobile sales, rose a near-record 4.4 percent in December, the government reported Wednesday.

The Commerce Department said that retail sales totaled a seasonally adjusted \$126.25 billion last month after a revised 0.6 percent decline from an originally reported growth of 0.5 percent in November.

The department's report is based on a sampling of selected businesses and is subject to change.

December's increase was the largest since a record 5.6 percent jump in September that was spurred by a rush to take advantage of cut-rate auto financing offered to reduce a huge backlog of unsold 1986-model cars.

The retail sales figures have been influenced heavily in recent months by auto sales. After rising at a record rate in September, total sales fell a record 5.2 percent in October after the financing incentives were discontinued.

November's weakness was blamed on a 3.4 percent decline in auto sales, while they rose by 16.2 percent in December, the best showing since the record 22.7 percent increase in September.

Even excluding autos, retail sales did well in December, rising by 0.9 percent. That was the best showing for the non-auto category since a 1 percent rise in July 1985.

Much of this strength came in the category that includes department stores, where sales rose 1.3 percent, the best monthly showing since a 1.5 percent rise in August.

Retail sales in October-December were 0.2 percent below those in the year's third quarter.

For all of 1986, retail sales totaled \$1.44 trillion. That was a 5.2 percent rise from 1985, when sales rose by 6.3 percent, but the lowest annual increase since a 3.0 percent rise in the recession year of 1982.

Sales of durable goods, those expected to last three years or more, were up 10.2 percent in December after a 2 percent decline in November.

Sales on nondurable goods were up 0.8 percent.

showing since the record 22.7 percent increase in September.

Even excluding autos, retail sales did well in December, rising by 0.9 percent. That was the best showing for the non-auto category since a 1 percent rise in July 1985.

Much of this strength came in the category that includes department stores, where sales rose 1.3 percent, the best monthly showing since a 1.5 percent rise in August.

Retail sales in October-December were 0.2 percent below those in the year's third quarter.

For all of 1986, retail sales totaled \$1.44 trillion. That was a 5.2 percent rise from 1985, when sales rose by 6.3 percent, but the lowest annual increase since a 3.0 percent rise in the recession year of 1982.

Sales of durable goods, those expected to last three years or more, were up 10.2 percent in December after a 2 percent decline in November.

Sales on nondurable goods were up 0.8 percent.

Guinness Chief Is Dismissed

Reuters

LONDON — Guinness PLC, the British brewing company, on Wednesday dismissed its chairman and chief executive and asked two more directors to resign in a growing debate over the company's conduct of a takeover battle.

The company said it had severed all contact with chairman and chief executive, Ernest Saunders, who last week took a leave of absence during a government inquiry into the company's actions during its \$2.7 billion (\$4 billion) takeover of Distillers Co., a gin and Scotch whisky maker, last April.

The company also requested the resignations of directors Arthur Fueller, chairman of the Swiss Bank, Leu AG, and Thomas Ward, an American lawyer.

Choices Reported for Federal Reserve Vacancies

By Robert D. Hershey Jr. New York Times Service

WASHINGTON — Leif H. Olsen, formerly the top economist at Citibank, and Edward W. Kelley, an investment adviser from Texas, seem likely to be chosen to fill the two vacancies on the Federal Reserve Board, government and business sources said Tuesday.

Meanwhile, the prospects appear to have dimmed that Beryl W. Sprinkel, chairman of the president's Council of Economic Advisers, would be chosen to succeed Paul A. Volcker, whose term as Fed chairman expires in August.

Donald T. Regan, the White House chief of staff, was said to be heavily promoting Mr. Sprinkel for the post, but the odds against him seem to have lengthened in recent days, according to one official.

Mr. Olsen's selection would mark something of a departure from the pattern set by President Ronald Reagan in choosing five Fed governors, four of whom still serve. Mr. Olsen, 60, who retired from Citibank last year, has a repu-

reputation as a monetarist while Mr. Regan's other appointees have, to a greater or lesser degree, exhibited supply-side tendencies.

Monetarists tend to worry more than supply-siders about inflation and therefore are inclined toward a more restrictive monetary policy.

Mr. Olsen, reached by telephone in New York, acknowledged that he was engaged in discussions with the White House, but said that "it is very tentative on both sides."

It was understood that, if he joined the board, he would take the seat of Henry C. Wallach, 72, who recently resigned because of poor health. His term expires next January, but Mr. Olsen would then be

eligible for reappointment to a full term of 14 years.

Mr. Olsen's selection also could mean that the administration has fewer options if it should decide not to reappoint Mr. Volcker as chairman. Some of those who apparently are the top candidates to become chairman are from New York, where Mr. Olsen has spent his working life. The law, in the name of geographic diversity, prohibits more than one board member from coming from one district.

But it seemed possible that Mr. Olsen, who lives in Connecticut, could be named to represent the First Federal Reserve District, consisting of the New England states.

New York and northern New Jersey are in the second district.

In contrast to Mr. Olsen, Mr. Kelley is relatively unknown. His principal supporter, however, is Treasury Secretary James A. Baker 3d, a fellow Texan and longtime friend. Mr. Kelley, 54, has been described in press accounts as a man with "growth-oriented" views.

Mr. Kelley is expected to replace Emmett J. Rice, whose resignation took effect Dec. 31. That seat expires in January 1990.

In filling the two vacancies, which require Senate confirmation, Mr. Reagan will have named six of the seven Fed governors, with Mr. Volcker the only exception.

Currency Rates

Table with columns for Currency, Bid, Ask, and other rates. Includes Gold Rates and Dollar Values.

Rosy Forecast by Bonn Disputed by Opposition

BONN — The West German government's annual economic report Wednesday forecast another year of steady growth in 1987, but opposition parties called it propaganda being issued for the federal elections Jan. 25.

Chancellor Helmut Kohl's center-right coalition, in office since 1982 and leading in opinion polls, is campaigning largely on its economic record.

Its report said that inflation would remain under control in 1987, unemployment would fall and Europe's strongest economy would expand by 2.5 percent or more, a growth rate matching its performance in 1985 and 1986.

The report said the forecast was realistic despite potential risks to growth if foreign demand for German goods were to weaken for a long period. The recent appreciation of the Deutsche mark, which reflects the strength of the economy, makes exports more expensive. They fell 0.6 percent in 1986.

Martin Bangemann, the economics minister, said the government would be prepared to consider bringing forward tax cuts from 1988 to 1987 if the economy showed signs of weakening seriously, although he stressed that he did not think this would be necessary. Tax cuts would increase consumer spending and boost the economy.

The main opposition, the Social Democrats, or SPD, said the government was overstating growth prospects to win votes.

The SPD contends that the economy is in danger of lapsing into a new downturn, partly as a result of lower exports.

Company Failures Drop

There were 994 West German corporate insolvencies last November, one less than in the same month in 1985, the Federal Statistics Office said Wednesday, Reuters reported from Wiesbaden.

The SPD said the Kohl government is failing to tackle what it calls mass unemployment, which it pledges to halve if elected.

The government says its policies have led to the creation of 600,000 jobs since late 1983.

Interest Rates

Table with columns for Eurocurrency Deposits and Key Money Rates.

Table with columns for Asian Dollar Deposits and U.S. Money Market Funds.

Table with columns for Gold prices.

Table with columns for various market data and exchange rates.

Hutton MANAGED CURRENCIES PROGRAM advertisement with performance results and contact information.

Republic National Bank of New York advertisement featuring keys and text: 'There's private banking. And there's very private banking. Here's one bank with a tradition of ensuring privacy for its clients' business. And that's Republic National Bank of New York.'

BUSINESS ROUNDUP

Fairfax Increases Offer; Murdoch Gains in Court

SYDNEY — John Fairfax Ltd. said Wednesday that it would raise its takeover bid for Queensland Press Ltd. to 24 Australian dollars (\$15.94) a share from its previous bid of 20 dollars, while the Supreme Court in Victoria overruled a temporary injunction that had prevented Robert Murdoch from acquiring more shares of Herald & Weekly Times Ltd.

BankAmerica Denies Story That It Sought Aid in Japan

TOKYO — A spokesman for BankAmerica Corp. denied on Wednesday a report that the company had approached several Japanese banks to seek financial assistance.

Dixons Group Reports Rise in Profit But Ignores Talk of U.S. Acquisition

LONDON — By announcing first-half results without commenting on rumored acquisition, Dixons Group PLC, the electronics retailer, has quieted speculation that it plans to make a major purchase in the United States, share analysts said Wednesday.

BUSINESS PEOPLE

Lubensky Paid \$100,000 for 34.2% of Wheeling

By Arthur Higbee International Herald Tribune Lloyd C. Lubensky paid only \$100,000 for Allen E. Paulso's 34.2 percent stake in the Wheeling-Pittsburgh Steel Co., according to a filing by Mr. Lubensky with the Securities and Exchange Commission, The New York Times reports.

Bill Van Sant has resigned "to pursue other business interests" after his agreement with the parent company, General Dynamics Corp., expired, Cessna said. Mr. Van Sant, 48, had promised not to leave before Dec. 31, 1986.

COMPANY NOTES

Enron Corp. said for the fourth quarter it expected to take a number of nonrecurring charges against earnings that would "virtually offset" a gain of \$123 million from the sale of its petrochemical unit.

States last year, in Canada in March. Officials said the Acma models, which are manufactured in Japan, are intended to compete with luxury cars such as the BMW and Mercedes.

DAO HENG BANK LIMITED HK\$300,000,000 NEGOTIABLE FLOATING RATE HONG KONG DOLLAR CERTIFICATES OF DEPOSIT DUE 30TH DECEMBER, 1991

INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 14 Jan. 1987. Table listing various international funds with their respective values and performance metrics.

6 7/8% Bearer Bonds of 1987 (1997) Kreditanstalt für Wiederaufbau Offer for Sale DM 750,000,000. Advertisement for German government bonds with detailed terms and conditions.

Vertical text on the left margin including "Issy World", "red Man", "EC Commission", "Says Delphi's Must Be Spared", "CHINA: Rumors of...", and "Be sure that your fund is listed in this space daily."

Wednesdays AMEX 3pm				12 Month High/Low				12 Month High/Low				12 Month High/Low				12 Month High/Low			
Stock	Div.	Yield	PE	Stock	Div.	Yield	PE	Stock	Div.	Yield	PE	Stock	Div.	Yield	PE	Stock	Div.	Yield	PE
AMX	0.00	0.00	1.00	AMX	0.00	0.00	1.00	AMX	0.00	0.00	1.00	AMX	0.00	0.00	1.00	AMX	0.00	0.00	1.00
...

CURRENCY MA
DOLLAR: 1
Continued from Page 11

Wedge
OTC
Prices

WORLD MARKETS
IN REVIEW
A WEEKLY REVIEW OF WORLD STOCK
MARKETS ESSENTIAL READING FOR INVESTORS
AND PROFESSIONALS - WORLDWIDE

Everything in red and white.

Albariño. The most aristocratic wine of the Northwest of Spain. Ideal for seafood.

Riesling. Most famous of Spanish wines. The reds are perfect with meat. It makes a good aperitive.

Navarra. Its rosé is soft and fruity. Excellent quality. Ideal with rice, eggs, pasta and meat.

Cara del Penedés. More than a century of tradition and internationally reputed. Goes with dessert or meals.

Alia. Typical from Barcelona province, praised by the Roman emperors. Highly recommended with fish.

Jerez (Sherry). The varieties "Fino", "Oloroso", "Amontillado", "Manzanilla" and "Palo Cortado" are ideal for the aperitive.

Carriena. Its alcohol content can reach 15%. Very strong aroma, excellent bouquet and body. Matchless with game.

Spain. Everything under the sun.

Floating-Rate Notes

Issuer/Name	Face Value	Yield	Term	Issuer/Name	Face Value	Yield	Term
Alitalia Finance	100,000	11.50%	30 days	Alitalia Finance	100,000	11.50%	30 days
...

Looking for a real estate buyer?

47% of IHT readers invest in property/real estate (excluding main home)

This means you can reach 80,000 potential purchasers through the International Real Estate section every Friday in the International Herald Tribune.

Source: 1986 Reader Survey by Research Seals Ltd., London

CURRENCY MARKETS

DOLLAR: Plunge Continues, With American Backing

(Continued from Page 1) The end of 1987, said Jonathan Francis, managing director of the World Economic Group at Wharton Economics in Philadelphia. Foreign-exchange dealers in Frankfurt also were taking a dim view of the dollar's future. "The trend is solidly against the dollar and shows no signs of turning," said a Frankfurt-based dealer for an American bank. "It's almost certain that we will see the dollar reach the historical low of DM 1.70 this year, although there will be ups and downs along the way," the dealer said. "What happens once we do reach that point is anyone's guess." The dollar reached a peak of 3.47 DM in 1985. Experts say its current slide began Sept. 22, 1985, when finance ministers and central bankers from Britain, France, West Germany, Japan and the United States...

London Dollar Rates

Table with columns: Currency, Bid, Ask, Source: Reuters. Includes Deutsche mark, Swiss franc, Japanese yen, French franc.

BANK: Conable Plans Tighter Ship

(Continued from first page) administration still faces an uphill fight this year to win any appropriations for the bank, or indeed any foreign assistance. Representative David R. Obey, Democrat of Wisconsin, who is chairman of the subcommittee, and his allies are reluctant, aides said, to approve foreign aid requests so long as President Ronald Reagan is cutting domestic programs and arranging to raise taxes. On top of \$750 million of arrears in contributions to international financial organizations, the United States is committed to a \$958.3 million offering this year for the World Bank's program of no-interest loans for the poorest countries. The bank, which is owned by 151 countries, was last restructured in 1972 when it was headed by Robert S. McNamara. Mr. McNamara is a member of a committee appointed by Mr. Conable to help reorganize the World Bank. "No matter what happens in the restructuring plan, the Reagan ad-

THE EUROMARKETS

Severe Weather Depresses Demand for Statoil Issue

The day's first new issue was Statoil's seven-year offering, led by Salomon Brothers International, paying 7% percent and priced at 101. The issue had closed at a discount of about 1 1/16, just inside total fees of 1% percent. Non-dollar currencies continued to benefit from a tendency to switch away from dollar-denominated bonds, with two new issues launched in Canadian dollars. These were a 100 million Canadian dollar transaction for Citicorp Mortgage Corp., paying 9 percent over five years and launched at a price of 100%, and the European Investment Bank's 138 million dollar bond. The latter has a life of just under 10 years, also with a 9 percent coupon, and was priced at 101%.

Wednesday OTC Prices. NASDAQ prices as of 3 p.m. New York Time. Via The Associated Press.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Alarms. Text describing alarm services and equipment.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Wednesday's AMEX 3pm. Tables include the notations prices use to the close on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Table with columns: 12 Month High, Low, Stock, Div. Yld., Sales in 1986, High, Low, 2 P.M. Close, Net Change. Includes various stock listings.

Australia Dollar Contract Debuts Lightly in Chicago

CHICAGO — Futures contracts in the Australian dollar were traded Tuesday for the first time on the Chicago Mercantile Exchange, with trading giving the new contracts a mixed review. The March contract opening was set at 64.59 cents to one Australian dollar, but fell in later trading and closed at 64.22 cents. Volume in the new contracts, each of which represents 100,000 Australian dollars, totaled 1,532 according to exchange officials. Volume in other Chicago-traded currency futures, which include most major Western European currencies as well as the Japanese yen, is normally 10 times that amount. But, officials noted, the opening volume for any new futures contract is always light. Rich Kaspach, an analyst in Chicago with E.F. Hutton Group, said the trading activity was "encouraging for a first day market." But Demetrius McAtamney, chief dealer at National Australia Bank Ltd. in New York, said that the contract was subject to local manipulation and suffered from a lack of liquidity.

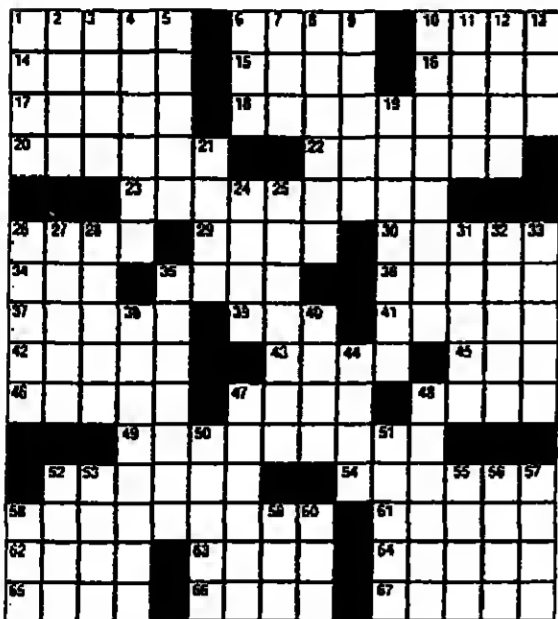
Company Results

Table with columns: Company, Year, Net Inc., Div. Payout, Per Share. Includes ASDA-MFI Group, United States, Bank of New England, Chemical New York, PNC Financial, Valley National Bcp, West Germany, RWE Group.

Weekly net asset value Tokyo Pacific Holdings N.V. on January 12, 1987, U.S. \$177.09. Listed on the Amsterdam Stock Exchange. Information: Pierson, Holding & Pierson N.V., Herengracht 214, 1016 BS Amsterdam.

C.E.A.O. TENDER NOTICE SOLAR ENERGY REGIONAL CENTRE. Tenders are invited for the supply and installation of Scientific Equipment to the Solar Energy Regional Centre set up at BAMAKO, MALI. The Equipment is financed through a loan of the C.E.A.O. Fund. The 2 relevant lots for Tender are as follows: Date acquisition processing - Computer Equipment Tender documents may be obtained after 9/02/1987 against payment of 50,000 Fr.CFA per lot, from: - CRES BP 1872 BAMAKO - MALI Phone: 22 46 76 Telex: 332 - BEICIP 232, Avenue Napoleon Bonaparte 92500 RUEIL-MALMAISON - FRANCE (Phone: (1) 47 49 71 71 Telex: 205027 BEFRAG F Tenders should be submitted to CRES before 30/04/1987 at 2.00 p.m.

BUILD TAX FREE WEALTH IN PRIVACY 9.50%* 2 YEAR U.S. \$ CERTIFICATES OF DEPOSIT MINIMUM INVESTMENT U.S. \$5,000 INTERNATIONAL BANK LIMITED A Private Bank Profit from the advantages of PRIVATE BANKING - TOTAL CONFIDENTIALITY OF DEPOSITOR'S AFFAIRS. - INVESTMENTS OF NON-RESIDENTS ARE TOTALLY TAX-FREE WITH NO WITHHOLDING TAX ON INTEREST OR DIVIDENDS. - NO CHARGE TO INVEST, REINVEST OR REDEEM. - ST. KITTS-NEVIS IS A TAX HAVEN WITH A STABLE FINANCIAL/BANKING CENTRE. *Other maturities available. Rates subject to change at any time. For more information, mail coupon or send your check to: INTERNATIONAL BANK LIMITED Liverpool Row, Box 57, Basseterre, St. Kitts, W.I. (809) 465-1094/8465 Fax (809) 465-1098 Telex 6899 INBANK I am interested in your Certificates of Deposit. Please send details of your other offshore financial services. Name Address City Country Postcode 1/15HT



ACROSS
1 Piece of cake
6 A symbol of fire
10 Nagasaki university
14 Authorized
15 Melville novel
16 Faintest
17 Montezuma's "L" - det.
18 Pulitzer Prize dramatist: 1927
20 Boat basin
22 Emulated Rosalynn Summers
23 Famed Green Bay Packer
26 Cheers for the above
29 Items of interest to realtors
30 Jazz style
34 Rhea's cousin
35 Othello, for one
36 Take off
37 Site of Pagan
39 London suburb
41 Sand ridge
42 Hokkaido city
43 Bound
45 Bermuda coin
47 Rose Bowl champs: 1986
48 Highfalutin'
49 Greenhouses

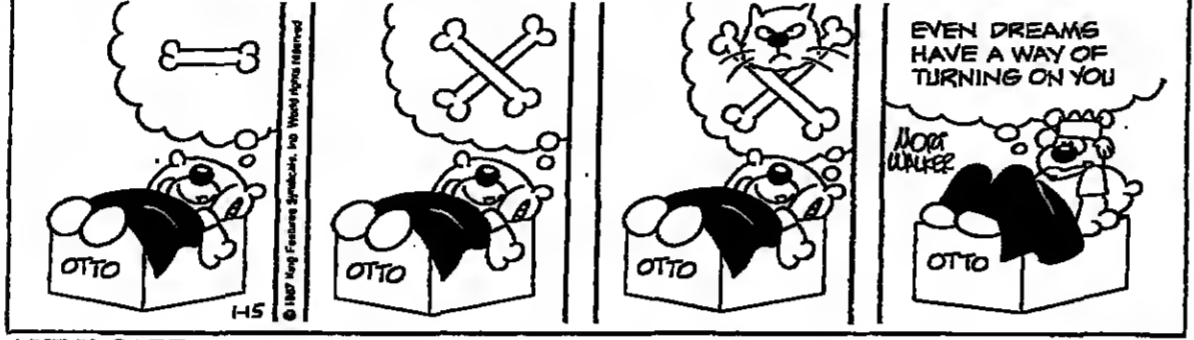
PEANUTS



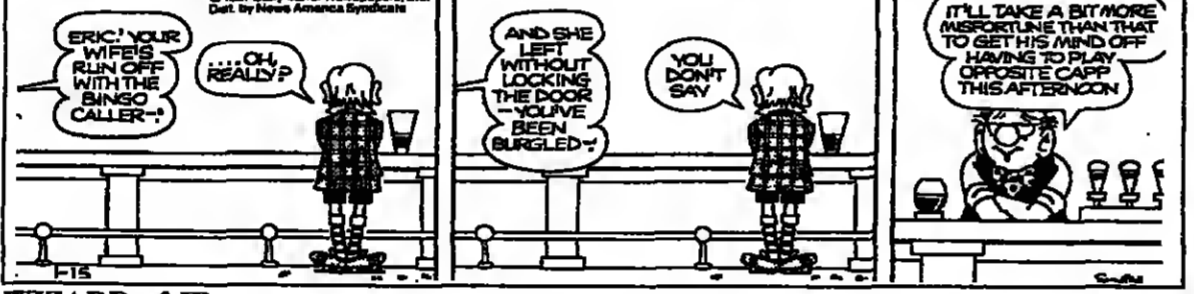
BLONDIE



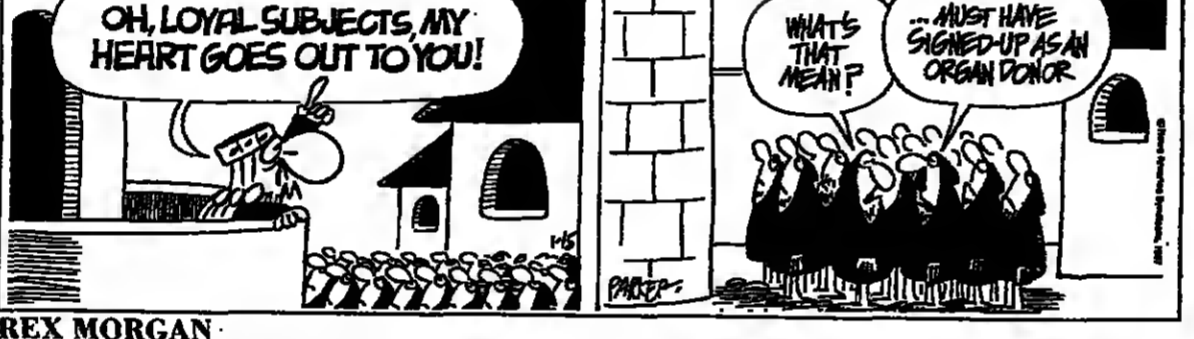
BETLE BAILEY



ANDY CAPP



WIZARD OF ID



DENNIS THE MENACE



REX MORGAN



GARFIELD



BOOKS

THE GRIFFIN: Bomb Roseband and the Nazi Atomic Bomb That Never Was. By Arnold Kramish. 281 pages. \$17.95. Houghton Mifflin, 2 Park Street, Boston, Mass. 02108.

ONE November day in 1939, Harold Freese-Pennefather, a member of the British Legion in Oslo, was confronted by a visitor who insisted that he take delivery of a small parcel. After a moment's indecision, Freese-Pennefather took the package, and the stranger disappeared without leaving his name. When the package was opened, it was found to contain a book, something that looked rather like a radio tube and a scientific report written in German. That report contained a mass of secret information about the German war effort, including information on two new radar systems and the first intimations of the work on rockets that had begun at the research station at Peenemunde.

As to the author of the report, he has remained anonymous, but in "The Griffin," Arnold Kramish presents circumstantial evidence that the author was Paul Roseband, a scientist and journalist, who throughout World War II, kept up a supply of information on the German war effort flowing into Britain.

BRIDGE

By Alan Truscott
THIS year in the South American Championships and perhaps later in the Bermuda Bowl in Jamaica, Brazil will have a reconstituted team. Gabriel Cintra and Gabriel Chagas, two former world champions from Brazil who have been teammates on many occasions, have formed a partnership. In a recent selection event in Rio de Janeiro the two Gabs, as they are likely to be known, sat East and West on the diagrammed deal and combined well in defense to four spades.

secret service. Throughout the war, he delivered a report almost monthly. He had sent his Jewish wife and daughter to England early in the war, but he stayed on, narrowly missing arrest on several occasions. According to Kramish, it was largely because of the uncertain progress and eventual failure of the German atomic weapon program, and that leads Kramish to claim that he can now demolish a major myth of our time. That is that the Germans and the Allies were locked into a race to build a bomb when, in fact, no such race existed.

But those and the other exotic endeavors in this book would count for little if the biography itself worked well. Certainly the author has accomplished a mammoth task in knitting together material from 500 interviews and more than 100 archival sources, and he has succeeded in creating an intricate and sometimes fascinating picture of intelligence activities inside Germany and the occupied countries during the war.

Peter Goodchild, the head of plays, drama and television at the BBC, wrote this review for the Los Angeles Times.

JUMBLE

Jumble word game section with a grid and instructions. Includes words like HADEA, LOVAC, CEEDIT, TAKEGS.

World Stock Markets

Via Agence France-Press Jan. 14. Closing prices in local currencies unless otherwise indicated.

Table of World Stock Markets with columns for Amsterdam, London, Hong Kong, Frankfurt, Zurich, and Tokyo.

World Stock Markets (continued)

Table of World Stock Markets (continued) with columns for Singapore, Stockholm, Sydney, Zurich, and Tokyo.

World Stock Markets (continued)

Table of World Stock Markets (continued) with columns for Toronto, Montreal, and various international indices.

WEATHER

Weather forecast table for Europe, Asia, Africa, Latin America, North America, Middle East, and Oceania.

Scoreboard section with various sports scores and statistics.

SPORTS

Stars & Stripes 2-Up; Kookaburra III Takes Opener

Compiled by Our Staff From Dispatches
FREMANTLE, Australia — Dennis Conner and Stars & Stripes are halfway to the America's Cup finals.

the right to meet the best Australian yacht for the cup, which Conner lost in 1983; before that the United States had held it for 132 years.

AMERICA'S CUP
"Dennis Conner has our backs to the wall," said the syndicate's chairman, Michael Fay, adding that the lay day would be used to regroup and try to "find a cure to catch Conner" — who had predicted a sweep of the series.

seconds on the second windward leg and maintained the margin through both reaches.
The race turned into a rout on the third beat, with Conner slicing through the choppy seas to round the buoy 1:06 ahead. He added 12 seconds on the last run.

Australia IV built up a 17-second lead on the first leg, but Beashel then gambled and broke off from the stronger tacking Murray to play a wind shift and Kookaburra III was only 10 seconds back rounding the first mark.



Kookaburra III, right, banged into Australia IV's stern in pre-race maneuvering Wednesday.

Lendl and Navratilova Gain, but Three Seeds Fall

MELBOURNE — Top seeds Ivan Lendl and Martina Navratilova powered into the third round of the Australian Open tennis championships here Wednesday, but three other seeds lost their first matches.

When the match resumed Thursday, Becker, 19, will be trying to avoid a repeat of the last Australian Open, in December 1985, when he lost his first match to highly regarded Michiel Schapers of the Netherlands.

Srebrer of Czechoslovakia, 3-6, 2-6, 7-5, 6-3, 6-3 in a marathon encounter.
Lendl had a lapse midway through his meeting with Saltz, ranked 329th in the world, but came on strong in the final two sets. "I couldn't have asked for better preparation for this tournament, but that doesn't mean I'm going to win it," said Lendl. "Anyone who can serve and return well is dangerous on these courts."

SCOREBOARD

Table with multiple columns: Basketball (NBA Standings, NBA Leaders, U.S. College Results), Hockey (NHL Standings, NHL Leaders), and Tennis (Australian Open results).

NBA Bans Two Rockets for Cocaine Use

New York Times Service
NEW YORK — Lewis Lloyd and Mitchell Wiggins of the Houston Rockets were banned from the National Basketball Association on Tuesday after having tested positive for cocaine.

drug testing, or random drug testing, in the NBA; only when there is "reasonable cause" can the parties proceed to seek a test.

Lloyd and Wiggins are the third and fourth players banned under the drug agreement. The others are Michael Ray Richardson, the former New Jersey player, and John Drew, the former star for Atlanta and Utah.



Lewis Lloyd



Mitchell Wiggins

There is no regular mandatory drug testing, or random drug testing, in the NBA; only when there is "reasonable cause" can the parties proceed to seek a test.

Richardson, who was dropped from the league last February, had been given his three chances before being barred. Drew was banned last January; he had not played in the NBA since December 1984, when he was waived by Utah because of repeated drug abuse.

The expulsion of Lloyd, who earned \$215,000 a year, and Wiggins, who earned \$155,000, put the Rockets under the salary cap. They will be able to replace the players at comparable salaries.

Transition

BASEBALL
American League
KANSAS CITY — Stunned Buddy Blanton, shortstop for the Royals, will be replaced by Bill Peavey and Ron Johnson, infielders.

Both Five Nations Rugby Openers Weathered Out

Compiled by Our Staff From Dispatches
CARDIFF, Wales — Severe weather conditions on Wednesday caused the postponement of Saturday's opening matches in the Five Nations rugby tournament.

Both matches — Ireland vs. Wales in Cardiff and Scotland vs. England in London — have been rescheduled for April 4.

Wales-Ireland was postponed, 24 hours ahead of the original decision deadline, because the terraces and stands at, and access to, Cardiff's National Stadium had been rendered potentially dangerous by a heavy snowfall Wednesday and by the continuing arctic freeze sweeping Britain.

remained under cover and in good condition.
The postponement of the English rugby union, said, "I cannot see any circumstance which will make the pitch anything but playable. We have had a few inches of snow in the area, but we can probably cope with that inside the ground. Outside is a different matter, because conditions are diabolical. Twickenham station is closed and traffic is at a standstill."

Tennis

Australian Open
CHRISTIE VAN RENSBURG, South Africa, 6-4, 3-6, 6-4, 4-6 (walkover).
WOMEN
Second Round
Hana Mandlikova (CZ) - Czechoslovakia, 6-4, 6-2, 6-2; Claudia Kohde-Kilsch (D), West Germany, def. Nicole Pietrangeli, Australia, 4-6, 6-2; Dianne Baker (AUS), Australia, def. Gretchen Rault (CAN), Canada, 6-3, 6-2.

INTERNATIONAL CLASSIFIED

Advertisement for ESCORTS & GUIDES featuring various international travel services, including Mayfair Club, Caprice-NY, Zurich 558720, Amsterdams, Geneva + Ginger's, First Encounter, London Kensington, London Belgravia, Aristocats, and Zurich.

ART BUCHWALD

Simplifying Tax Reform

WASHINGTON — I picked up my 1040 form at the IRS the other day and couldn't believe how complicated the instructions were.



"I thought you people were going to simplify things under the new tax reform bill," said the man behind the counter. "Who told you that?"

"Oh yes they can, but it takes a little ingenuity. Everyone thinks he can get from column 1 to column 7 without going through column 6. It can't be done. You have to approach it like Rubik's Cube and then you can get the solution."

East Germany Returns Drawings

ROTTERDAM — East Germany has given back to a Dutch museum 33 pen drawings and gouaches, including 10 done by the 15th-century German artist Albrecht Dürer, which were confiscated by the Nazis 46 years ago.

REAL ESTATE SERVICES

Real estate listings for various locations including London, Monaco, and Paris. Includes contact information for agencies like 'Embassy Service' and 'A.G.E.D.I.'.

'Stepping Out' With Tommy Tune

By Leslie Bennetts New York Times Service

NEW YORK — Day after day, Tommy Tune has been trying to teach a tap-dancing routine to Don Amendola, a chubby, balding actor who had never danced before. Day after day Amendola clomped and clattered as he stumbled through segments of the routine.



Director Tune: "Every one of them is chosen."

"Nice," which won him a Tony Award for best direction. One corner of Tune's apartment features a cabinet full of Tonys and other awards since he has also racked up assorted honors as a choreographer, winning Tonys for both "My One and Only" and "A Day in Hollywood — A Night in the Ukraine."

PEOPLE

Mrs. Thatcher Cheers Domingo in 'Otello' Prime Minister Margaret Thatcher led a sell-out audience in London Tuesday night to cheer Placido Domingo singing the title role in a new production of Verdi's "Otello" at the Royal Opera House, Covent Garden.

Richard Branson, the Briton who last year set a record for the fastest crossing of the Atlantic in a powerboat, says he will attempt the first Atlantic crossing by hot-air balloon this summer.

A Japanese-born writer, Kazuo Ishiguro, has won Britain's highest literary prize, the Whitbread Book of the Year award, with his second novel, "An Artist of the Floating World." His prize is £16,500 (\$27,700).

INTERNATIONAL CLASSIFIED

International Classified section with multiple columns of job listings under categories like 'EMPLOYMENT', 'EXECUTIVE POSITIONS AVAILABLE', and 'GENERAL POSITIONS WANTED'.

International Business Message Center

International Business Message Center section with various business opportunities, financial services, and recruitment listings.

AUTOS TAX FREE

Autos Tax Free section featuring advertisements for Transco, Randstad ETT, and other services related to tax-free vehicles and international travel.

COLLEGES & UNIVERSITIES

Colleges & Universities section with advertisements for various educational institutions, including Kensington Degree College and others.

Authors Wanted by N.Y. Publisher advertisement seeking authors for fiction, non-fiction, poetry, and other genres.

Large vertical advertisement on the right side of the page, featuring 'LATE NEWS' and 'INSIDE TODAY' sections, along with various news snippets and promotional text.